A Message to Our Community From Our CEO

To our community of creators and backers:

The many questions and concerns we've heard from you lately are a testament to how much you care about Kickstarter, the people who work here, and the importance of creative work in the world. In response, I felt it was best to talk directly about recent events and issues.

It's important for you to know, and to hear straight from me, that we haven't fired anyone for union organizing. We respect our staff's right to decide for themselves if they want a union at Kickstarter, and we are giving them the space they need to make that decision.

This month, we made the difficult decision to part ways with two members of our team. This is particularly tough at a small company like ours where most of us work closely and collaboratively at our Brooklyn headquarters. Both of these employees were members of the organizing committee, as are other current staff members. This had nothing to do with their terminations. We understood how these firings could be perceived, but it would be unfair to not hold these two employees to the same standards as the rest of our staff.

We know that we are asking you to take us at our word. Some have asked us to provide proof that these firings were not related to organizing. For privacy reasons, we don't think it's right for us to publicly share that information. We will, however, respond to the charges filed with the NLRB by providing clear documentation, which stretches back before March, when the organizing effort became public.

It is our responsibility to ensure that our staff can make their own decision on unionization in a fair, legal, and informed way, while we continue to run the business to the best of our ability. Every decision we have made has been with this key principle in mind.

Our staff has been divided on whether a union is right for them. And early on we had to step in when we learned that managers were involved in the organizing effort, in violation of labor rules. For those reasons, we've been clear that a secret-ballot election, conducted by the National Labor Relations Board, is the only way forward that respects the rights of every member of our staff, and gives everyone a voice. We've said that if we are asked to voluntarily recognize the union, we'll decline, and advocate for an election to protect the integrity of the process.

We have shared our perspective, in a staff meeting and follow-up Q&A session, that we don't think a union is the best tool to fix the issues we face at Kickstarter. We believe it's important for employees to hear that perspective, so they can make an informed decision. We've limited our statements so we don't unduly influence or pressure the staff. Our perspective on this issue is born out of our work to build a new model for how a company can operate responsibly in society.

Kickstarter became a <u>public benefit corporation</u> in 2015. We took this unusual step to ensure that, for as long as it exists, Kickstarter will continue to serve its mission, not just its shareholders. When we make decisions, we are legally obligated to think about all of the other stakeholders involved, including our staff, the wider world of artists and creators, and society as a whole.

The PBC model is the best one we know of for breaking out of the profit-maximization mindset. We're still actively building this new structure, and working to prove that it's not only viable, but a new path forward. We want to do this all together, as one team.

The union framework is inherently adversarial. That dynamic doesn't reflect who we are as a company, how we interact, how we make decisions, or where we need to go. We believe that in many ways it would set us back, and that the *us vs. them* binary already has.

But again, the choice belongs to the staff. So where do things go from here? As the internal discussion continues, I want to make these commitments to you:

- If an election is called, we will do everything we can to ensure that it is carried out in a fair and fully democratic way.
- In the runup to the vote, we will be transparent with staff and share our perspective on the issue, doing our part to create an atmosphere of respect and dialogue. Any meetings about this will be voluntary.
- If a majority of the staff in an appropriate bargaining unit votes in favor of a union in an NLRB election, we will fully respect that choice and negotiate in good faith toward a collective bargaining agreement.

I understand that some of you may not be satisfied with our approach to this issue. But I hope that by sharing our perspective, we can make clear that we are acting in good faith. Above all, we value the work you make and support as creators and backers. And we hope that we can continue to collaborate on bringing more creative work into the world.

Aziz Hasan, CEO, Kickstarter PBC

We've put together a FAQ to help clear up some questions about this complex situation and our response to it. We hope it addresses any questions you might have. And we welcome your feedback: thoughts@kickstarter.com.

FAQ

Is Kickstarter retaliating against union organizers?

Kickstarter has not fired or retaliated against anyone for union organizing. We recently terminated two employees, and we understand how that would raise concerns given their roles in the organizing effort. But that involvement had nothing to do with their terminations. We will be providing documentation of the reasons for these terminations to the National Labor Relations Board.

It's worth noting that since March we've given raises to 14 people who have been public about their support for a union, and promoted three of them.

Is it true that Kickstarter's leadership rejected the union's request for voluntary recognition?

There's been no request for recognition, so we haven't been in a position to recognize a union. There's also been no call for an election. The staff has been discussing the issue since March, and the next step is up to them.

If Kickstarter's leadership is asked to voluntarily recognize the union, will it do so?

We've told the staff that a secret-ballot election run by the National Labor Relations Board would be the fairest and most democratic way forward. The organizing effort here has been complicated by the fact that some supervisors have been involved in the organizing process. This is highly unusual. It creates an obvious risk that employees will feel pressure from their supervisors, which is why it's not allowed under labor law. We've received complaints from staff members about this.

For these reasons, we've said that it would be irresponsible of us to voluntarily recognize the union if asked. We shared our stance on this because we wanted to move the process forward and be transparent where we could.

What if there is an election and the staff votes to unionize?

If an election is called, Kickstarter's leadership will do all we can to ensure that it is carried out in a fair and fully democratic way. And if a majority of the staff in an appropriate bargaining unit votes in favor of a union, we will fully respect that choice and negotiate in good faith toward a collective bargaining agreement.

What does Kickstarter's leadership think about the idea of a union at the company?

As we told the staff in May, we don't think a union framework is the right tool to fix Kickstarter's problems. We think that the company is better positioned to overcome its challenges, serve its mission, and do right by its employees and community without this framework. As a <u>public benefit corporation</u>, and a small but mighty 160-person company, Kickstarter is already set up in a way that reduces the pressure to chase profits and keeps us focused on our mission: helping to bring creative projects to life.

The organizers have not yet clearly communicated the problems that they believe a union could address, and how a union would fix them. This has made it more difficult to determine how this union would benefit Kickstarter.

Why would the leadership take a side on the unionization question?

We feel it's appropriate for us to have an opinion on the issue, and some staff members asked us to share our views. We can provide a perspective that is important for employees to consider, given our duty to balance the interests of our creators, backers, current and future staff, shareholders, and our future as an organization. But we have made absolutely clear to the staff that the final decision is in their hands, and that we will of course respect the outcome of an election.

As the company's staff debates this question, what is Kickstarter's leadership doing?

Clearly the decision isn't ours to make. But we do have an important role to play here. We can create a space where the rules around organizing are followed, one where staff members can make a decision that is well-informed and entirely their own, free from inappropriate pressure or personal criticism. That's what we've aimed to do in the six months since the unionization effort was announced, and what we will continue to do.

At times this has been a difficult role to play as tensions among the staff have run high. We've tried to tread a path that gives the staff room to make this important decision for themselves.

How has Kickstarter's leadership responded to concerns raised by the staff since March?

Kickstarter's leadership has taken steps this year to improve communication, transparency, and trust in the organization. Some of these initiatives were in the works before the organizers announced their effort. Here's some of what we've done:

- A commitment to a more transparent salary framework. We've shared an explanation of our salary bands for engineers with that team, and by the end of the year we'll roll out an updated salary band framework to the full company.
- Mandatory training for all staff in unconscious bias, anti-harassment and anti-discrimination, along with training on how to keep bias out of the hiring process.
- Regular sharing of the company's financial performance with the entire staff.
- An improved biannual performance review process with a clear framework for raises, promotions, and feedback on areas for improvement.

We've also focused on fostering more transparent and open communication internally, including open Q&A sessions at the end of our all-company meetings, regular email communication from the CEO on the focus and direction of the company, and 'fireside chats' with senior leadership.

What are working conditions like for Kickstarter's staff?

We use market data to determine salaries for all of our employees, ensuring that we are paying fairly and consistently based on people's experience, skills, and responsibilities. We offer all of our staff members 18 vacation days a year, and we also close the office for a week in July and a week in December. We offer four months of paid parental leave for all new parents, education/wellness/bike stipends, time off for creative and volunteer work, fully paid medical/dental/vision coverage, a flexible work-from-home policy, fresh produce from our rooftop garden, company lunches on Thursdays, and what may be the most beautiful office in all of New York City.